# LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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#### FISCAL IMPACT STATEMENT

**LS 6161 NOTE PREPARED:** Mar 19, 2009

BILL NUMBER: SB 438 BILL AMENDED:

**SUBJECT:** Self-Directed Care.

FIRST AUTHOR: Sen. Becker BILL STATUS: 2<sup>nd</sup> Reading - 2<sup>nd</sup> House

FIRST SPONSOR: Rep. C. Brown

FUNDS AFFECTED: X GENERAL IMPACT: State

 $\begin{array}{cc} & \textbf{DEDICATED} \\ \underline{\mathbf{X}} & \textbf{FEDERAL} \end{array}$ 

<u>Summary of Legislation:</u> This bill requires self-directed care options and services to be available for: (1) Medicaid waiver recipients; and (2) Community and Home Options to Institutional Care for the Elderly and Disabled (CHOICE) program recipients.

The bill requires certain Medicaid funds to follow a Medicaid recipient transferring from institutional care to Medicaid home and community-based care.

It also specifies certain services that must be available to all Medicaid waiver recipients.

(The introduced version of this draft was prepared by the Health Finance Commission.)

Effective Date: July 1, 2009.

Explanation of State Expenditures: This bill codifies and reauthorizes provisions concerning home and community-based services that have expired. FSSA reported that the required provisions concerning self-directed care and "money follows the person" were implemented as required under the noncode provisions of SEA 493-2003.

The bill requires the Division to offer a self-directed care service option within the Medicaid waivers and the CHOICE program. Self-directed care is a fiscally neutral service delivery option. FSSA reports that self-directed care is currently an available option in the Aged and Disabled Waiver and the Traumatic Brain Injury Waiver.

SB 438+ 1

FSSA also reported to the Health Finance Commission that the agency has secured \$21 M for a federal Money Follows the Person Demonstration Grant. This program is intended to assist individuals in moving from a nursing facility or hospital to a residential setting in the community. This program is scheduled to operate from fall 2008 until September 30, 2011.

## **Explanation of State Revenues:**

#### **Explanation of Local Expenditures:**

## **Explanation of Local Revenues:**

**State Agencies Affected:** FSSA, Division of Aging and Division of Disability and Rehabilitative Services.

**Local Agencies Affected:** 

<u>Information Sources:</u> FSSA Website, Money Follows the Person, at: <u>www.in.gov/fssa/da/3475.htm</u>

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SB 438+ 2